

AMENDED IN SENATE MAY 25, 2016

AMENDED IN ASSEMBLY MAY 4, 2015

AMENDED IN ASSEMBLY APRIL 15, 2015

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

**ASSEMBLY BILL**

**No. 741**

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**Introduced by Assembly Member Williams**

February 25, 2015

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An act to amend Section 1502 ~~of~~ *of, and to add Sections 1502.1 and 1502.2 to*, the Health and Safety Code, relating to mental health.

LEGISLATIVE COUNSEL'S DIGEST

AB 741, as amended, Williams. Mental health: community care facilities.

Existing law, the California Community Care Facilities Act, provides for the licensing and regulation of community care facilities, as defined, by the State Department of Social Services. Existing law includes within the definition of community care ~~facility~~, *facility* a social rehabilitation facility, which is a residential facility that provides social rehabilitation services in a group setting to adults recovering from mental illness. *Existing law also defines for this purpose a short-term residential treatment center.* A violation of the act is a misdemeanor.

This bill would expand the definition of a social rehabilitation facility to include a residential facility that provides social rehabilitation services in a group setting to children, adolescents, or adults recovering from mental illness or in a mental health crisis. *The bill would also expand the definition of a short-term residential treatment center to include a children's crisis residential center, as defined, and would require the department to regulate those program, as specified. The bill would*

*require the State Department of Health Care Services, in consultation with the County Behavioral Health Directors Association of California, representatives of provider associations, children’s advocates, and other stakeholders, to establish Medi-Cal rates for children’s crisis residential services, as prescribed.* By expanding the types of facilities that are regulated as a community care facility, this bill would expand the scope of an existing crime, thus creating a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
 State-mandated local program: yes.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. The Legislature finds and declares all of the
- 2 following:
- 3 (a) There is an urgent need to provide more crisis care
- 4 alternatives to hospitals for children and youth experiencing mental
- 5 health crises.
- 6 (b) The problems are especially acute for children and youth
- 7 who may have to wait for days for a hospital bed and who may be
- 8 transported, without a parent, to the nearest facility hundreds of
- 9 miles away.
- 10 (c) In 2012, the California Hospital Association reported that
- 11 two-thirds of the people taken to a hospital for a psychiatric
- 12 emergency did not meet the criteria for that level of ~~care~~ care, but
- 13 the care they needed was not available.
- 14 (d) The type of care that is needed includes crisis residential
- 15 treatment for children.
- 16 (e) This level of care is part of the full continuum of care
- 17 considered medically necessary for many children with serious
- 18 emotional disturbances.
- 19 (f) In 2013, the Legislature enacted the Investment in Mental
- 20 Health Wellness Act (Senate Bill 82, Chapter 34 of the Statutes
- 21 of 2013) to provide one-time funding to counties to expand the
- 22 availability of mental health crisis care services, including

1 short-term crisis residential treatment services. However, there is  
2 currently no state licensing category for short-term crisis residential  
3 programs for children. As a result, counties wanting to expand  
4 local capacity to meet the needs of children and youth for crisis  
5 residential treatment services were ineligible for this competitive  
6 grant program.

7 (g) Federal Medicaid provisions allow for federal matching  
8 funds for mental health services delivered to Medi-Cal beneficiaries  
9 under 21 years of age in psychiatric residential treatment facilities,  
10 including short-term crisis residential treatment programs.  
11 However, because there is currently no state licensing category  
12 for crisis residential treatment programs for children, California  
13 is unable to benefit from these otherwise available federal financial  
14 resources.

15 (h) In most communities, inpatient crisis treatment is completely  
16 unavailable for children and ~~youth~~ *youth*, even though it may be  
17 medically necessary.

18 (i) Crisis residential care is an essential level of care for the  
19 treatment of children and youth with serious emotional disturbances  
20 in a mental health crisis, and it often serves as an alternative to  
21 hospitalization.

22 (j) It is imperative that public health care coverage include these  
23 services as a covered benefit.

24 ~~SEC. 2. Section 1502 of the Health and Safety Code is amended~~  
25 ~~to read:~~

26 ~~1502. As used in this chapter:~~

27 (a) ~~“Community care facility” means any facility, place, or~~  
28 ~~building that is maintained and operated to provide nonmedical~~  
29 ~~residential care, day treatment, adult day care, or foster family~~  
30 ~~agency services for children, adults, or children and adults,~~  
31 ~~including, but not limited to, the physically handicapped, mentally~~  
32 ~~impaired, incompetent persons, and abused or neglected children,~~  
33 ~~and includes the following:~~

34 (1) ~~“Residential facility” means any family home, group care~~  
35 ~~facility, or similar facility determined by the director, for 24-hour~~  
36 ~~nonmedical care of persons in need of personal services,~~  
37 ~~supervision, or assistance essential for sustaining the activities of~~  
38 ~~daily living or for the protection of the individual.~~

39 (2) ~~“Adult day program” means any community-based facility~~  
40 ~~or program that provides care to persons 18 years of age or older~~

1 in need of personal services, supervision, or assistance essential  
2 for sustaining the activities of daily living or for the protection of  
3 these individuals on less than a 24-hour basis.

4 (3) “Therapeutic day services facility” means any facility that  
5 provides nonmedical care, counseling, educational or vocational  
6 support, or social rehabilitation services on less than a 24-hour  
7 basis to persons under 18 years of age who would otherwise be  
8 placed in foster care or who are returning to families from foster  
9 care. Program standards for these facilities shall be developed by  
10 the department, pursuant to Section 1530, in consultation with  
11 therapeutic day services and foster care providers.

12 (4) “Foster family agency” means any organization engaged in  
13 the recruiting, certifying, and training of, and providing  
14 professional support to, foster parents, or in finding homes or other  
15 places for placement of children for temporary or permanent care  
16 who require that level of care as an alternative to a group home.  
17 Private foster family agencies shall be organized and operated on  
18 a nonprofit basis.

19 (5) “Foster family home” means any residential facility  
20 providing 24-hour care for six or fewer foster children that is  
21 owned, leased, or rented and is the residence of the foster parent  
22 or parents, including their family, in whose care the foster children  
23 have been placed. The placement may be by a public or private  
24 child placement agency or by a court order, or by voluntary  
25 placement by a parent, parents, or guardian. It also means a foster  
26 family home described in Section 1505.2.

27 (6) “Small family home” means any residential facility, in the  
28 licensee’s family residence, that provides 24-hour care for six or  
29 fewer foster children who have mental disorders or developmental  
30 or physical disabilities and who require special care and supervision  
31 as a result of their disabilities. A small family home may accept  
32 children with special health care needs, pursuant to subdivision  
33 (a) of Section 17710 of the Welfare and Institutions Code. In  
34 addition to placing children with special health care needs, the  
35 department may approve placement of children without special  
36 health care needs, up to the licensed capacity.

37 (7) “Social rehabilitation facility” means any residential facility  
38 that provides social rehabilitation services for no longer than 18  
39 months in a group setting to individuals, including children,  
40 adolescents, and adults, recovering from mental illness or in a

1 ~~mental health crisis who temporarily need assistance, guidance,~~  
2 ~~or counseling. Program components shall be subject to program~~  
3 ~~standards pursuant to Article 1 (commencing with Section 5670)~~  
4 ~~of Chapter 2.5 of Part 2 of Division 5 of the Welfare and~~  
5 ~~Institutions Code.~~

6 ~~(8) “Community treatment facility” means any residential~~  
7 ~~facility that provides mental health treatment services to children~~  
8 ~~in a group setting and that has the capacity to provide secure~~  
9 ~~containment. Program components shall be subject to program~~  
10 ~~standards developed and enforced by the State Department of~~  
11 ~~Health Care Services pursuant to Section 4094 of the Welfare and~~  
12 ~~Institutions Code.~~

13 ~~(9) (A) “Full-service adoption agency” means any licensed~~  
14 ~~entity engaged in the business of providing adoption services, that~~  
15 ~~does all of the following:~~

16 ~~(i) Assumes care, custody, and control of a child through~~  
17 ~~relinquishment of the child to the agency or involuntary termination~~  
18 ~~of parental rights to the child.~~

19 ~~(ii) Assesses the birth parents, prospective adoptive parents, or~~  
20 ~~child.~~

21 ~~(iii) Places children for adoption.~~

22 ~~(iv) Supervises adoptive placements.~~

23 ~~(B) Private full-service adoption agencies shall be organized~~  
24 ~~and operated on a nonprofit basis. As a condition of licensure to~~  
25 ~~provide intercountry adoption services, a full-service adoption~~  
26 ~~agency shall be accredited and in good standing according to Part~~  
27 ~~96 of Title 22 of the Code of Federal Regulations, or supervised~~  
28 ~~by an accredited primary provider, or acting as an exempted~~  
29 ~~provider, in compliance with Subpart F (commencing with Section~~  
30 ~~96.29) of Part 96 of Title 22 of the Code of Federal Regulations.~~

31 ~~(10) (A) “Nonecustodial adoption agency” means any licensed~~  
32 ~~entity engaged in the business of providing adoption services, that~~  
33 ~~does all of the following:~~

34 ~~(i) Assesses the prospective adoptive parents.~~

35 ~~(ii) Cooperatively matches children freed for adoption, who are~~  
36 ~~under the care, custody, and control of a licensed adoption agency,~~  
37 ~~for adoption, with assessed and approved adoptive applicants.~~

38 ~~(iii) Cooperatively supervises adoptive placements with a~~  
39 ~~full-service adoptive agency, but does not disrupt a placement or~~  
40 ~~remove a child from a placement.~~

1 ~~(B) Private noncustodial adoption agencies shall be organized~~  
2 ~~and operated on a nonprofit basis. As a condition of licensure to~~  
3 ~~provide intercountry adoption services, a noncustodial adoption~~  
4 ~~agency shall be accredited and in good standing according to Part~~  
5 ~~96 of Title 22 of the Code of Federal Regulations, or supervised~~  
6 ~~by an accredited primary provider, or acting as an exempted~~  
7 ~~provider, in compliance with Subpart F (commencing with Section~~  
8 ~~96.29) of Part 96 of Title 22 of the Code of Federal Regulations.~~

9 ~~(11) “Transitional shelter care facility” means any group care~~  
10 ~~facility that provides for 24-hour nonmedical care of persons in~~  
11 ~~need of personal services, supervision, or assistance essential for~~  
12 ~~sustaining the activities of daily living or for the protection of the~~  
13 ~~individual. Program components shall be subject to program~~  
14 ~~standards developed by the State Department of Social Services~~  
15 ~~pursuant to Section 1502.3.~~

16 ~~(12) “Transitional housing placement provider” means an~~  
17 ~~organization licensed by the department pursuant to Section~~  
18 ~~1559.110 and Section 16522.1 of the Welfare and Institutions Code~~  
19 ~~to provide transitional housing to foster children at least 16 years~~  
20 ~~of age and not more than 18 years of age, and nonminor~~  
21 ~~dependents, as defined in subdivision (v) of Section 11400 of the~~  
22 ~~Welfare and Institutions Code, to promote their transition to~~  
23 ~~adulthood. A transitional housing placement provider shall be~~  
24 ~~privately operated and organized on a nonprofit basis.~~

25 ~~(13) “Group home” means a residential facility that provides~~  
26 ~~24-hour care and supervision to children, delivered at least in part~~  
27 ~~by staff employed by the licensee in a structured environment. The~~  
28 ~~care and supervision provided by a group home shall be~~  
29 ~~nonmedical, except as otherwise permitted by law.~~

30 ~~(14) “Runaway and homeless youth shelter” means a group~~  
31 ~~home licensed by the department to operate a program pursuant~~  
32 ~~to Section 1502.35 to provide voluntary, short-term, shelter and~~  
33 ~~personal services to runaway youth or homeless youth, as defined~~  
34 ~~in paragraph (2) of subdivision (a) of Section 1502.35.~~

35 ~~(15) “Enhanced behavioral supports home” means a facility~~  
36 ~~certified by the State Department of Developmental Services~~  
37 ~~pursuant to Article 3.6 (commencing with Section 4684.80) of~~  
38 ~~Chapter 6 of Division 4.5 of the Welfare and Institutions Code,~~  
39 ~~and licensed by the State Department of Social Services as an adult~~  
40 ~~residential facility or a group home that provides 24-hour~~

1 nonmedical care to individuals with developmental disabilities  
2 who require enhanced behavioral supports, staffing, and  
3 supervision in a homelike setting. An enhanced behavioral supports  
4 home shall have a maximum capacity of four consumers, shall  
5 conform to Section 441.530(a)(1) of Title 42 of the Code of Federal  
6 Regulations, and shall be eligible for federal Medicaid home- and  
7 community-based services funding.

8 (16) “Community crisis home” means a facility certified by the  
9 State Department of Developmental Services pursuant to Article  
10 8 (commencing with Section 4698) of Chapter 6 of Division 4.5  
11 of the Welfare and Institutions Code, and licensed by the State  
12 Department of Social Services pursuant to Article 9.7 (commencing  
13 with Section 1567.80), as an adult residential facility, providing  
14 24-hour nonmedical care to individuals with developmental  
15 disabilities receiving regional center service, in need of crisis  
16 intervention services, and who would otherwise be at risk of  
17 admission to the acute crisis center at Fairview Developmental  
18 Center, Sonoma Developmental Center, an acute general hospital,  
19 acute psychiatric hospital, an institution for mental disease, as  
20 described in Part 5 (commencing with Section 5900) of Division  
21 5 of the Welfare and Institutions Code, or an out-of-state  
22 placement. A community crisis home shall have a maximum  
23 capacity of eight consumers, as defined in subdivision (a) of  
24 Section 1567.80, shall conform to Section 441.530(a)(1) of Title  
25 42 of the Code of Federal Regulations, and shall be eligible for  
26 federal Medicaid home- and community-based services funding.

27 (17) “Crisis nursery” means a facility licensed by the department  
28 to operate a program pursuant to Section 1516 to provide short-term  
29 care and supervision for children under six years of age who are  
30 voluntarily placed for temporary care by a parent or legal guardian  
31 due to a family crisis or stressful situation.

32 (b) “Department” or “state department” means the State  
33 Department of Social Services.

34 (c) “Director” means the Director of Social Services.

35 Nothing in this section shall be construed to prohibit or  
36 discourage placement of persons who have mental or physical  
37 disabilities into any category of community care facility that meets  
38 the needs of the individual placed, if the placement is consistent  
39 with the licensing regulations of the department.

1     *SEC. 2. Section 1502 of the Health and Safety Code is amended*  
2     *to read:*

3     1502. As used in this chapter:

4     (a) “Community care facility” means any facility, place, or  
5     building that is maintained and operated to provide nonmedical  
6     residential care, day treatment, adult day care, or foster family  
7     agency services for children, adults, or children and adults,  
8     including, but not limited to, the physically handicapped, mentally  
9     impaired, incompetent persons, and abused or neglected children,  
10    and includes the following:

11    (1) “Residential facility” means any family home, group care  
12    facility, or similar facility determined by the director, for 24-hour  
13    nonmedical care of persons in need of personal services,  
14    supervision, or assistance essential for sustaining the activities of  
15    daily living or for the protection of the individual.

16    (2) “Adult day program” means any community-based facility  
17    or program that provides care to persons 18 years of age or older  
18    in need of personal services, supervision, or assistance essential  
19    for sustaining the activities of daily living or for the protection of  
20    these individuals on less than a 24-hour basis.

21    (3) “Therapeutic day services facility” means any facility that  
22    provides nonmedical care, counseling, educational or vocational  
23    support, or social rehabilitation services on less than a 24-hour  
24    basis to persons under 18 years of age who would otherwise be  
25    placed in foster care or who are returning to families from foster  
26    care. Program standards for these facilities shall be developed by  
27    the department, pursuant to Section 1530, in consultation with  
28    therapeutic day services and foster care providers.

29    (4) “Foster family agency” means any public agency or private  
30    organization engaged in the recruiting, certifying, and training of,  
31    and providing professional support to, foster parents, or in finding  
32    homes or other places for placement of children for temporary or  
33    permanent care who require that level of care. Private foster family  
34    agencies shall be organized and operated on a nonprofit basis.

35    (5) “Foster family home” means any residential facility  
36    providing 24-hour care for six or fewer foster children that is  
37    owned, leased, or rented and is the residence of the foster parent  
38    or parents, including their family, in whose care the foster children  
39    have been placed. The placement may be by a public or private  
40    child placement agency or by a court order, or by voluntary

1 placement by a parent, parents, or guardian. It also means a foster  
2 family home described in Section 1505.2.

3 (6) “Small family home” means any residential facility, in the  
4 licensee’s family residence, that provides 24-hour care for six or  
5 fewer foster children who have mental disorders or developmental  
6 or physical disabilities and who require special care and supervision  
7 as a result of their disabilities. A small family home may accept  
8 children with special health care needs, pursuant to subdivision  
9 (a) of Section 17710 of the Welfare and Institutions Code. In  
10 addition to placing children with special health care needs, the  
11 department may approve placement of children without special  
12 health care needs, up to the licensed capacity.

13 (7) “Social rehabilitation facility” means any residential facility  
14 that provides social rehabilitation services for no longer than 18  
15 months in a group setting to ~~adults~~ *individuals, including children,*  
16 *adolescents, and adults,* recovering from mental illness *or in a*  
17 *mental health crisis* who temporarily need assistance, guidance,  
18 or counseling. Program components shall be subject to program  
19 standards pursuant to Article 1 (commencing with Section 5670)  
20 of Chapter 2.5 of Part 2 of Division 5 of the Welfare and  
21 Institutions Code.

22 (8) “Community treatment facility” means any residential  
23 facility that provides mental health treatment services to children  
24 in a group setting and that has the capacity to provide secure  
25 containment. Program components shall be subject to program  
26 standards developed and enforced by the State Department of  
27 Health Care Services pursuant to Section 4094 of the Welfare and  
28 Institutions Code.

29 ~~Nothing in this section shall be construed to prohibit or~~  
30 ~~discourage placement of persons who have mental or physical~~  
31 ~~disabilities into any category of community care facility that meets~~  
32 ~~the needs of the individual placed, if the placement is consistent~~  
33 ~~with the licensing regulations of the department.~~

34 (9) (A) “Full-service adoption agency” means any licensed  
35 entity engaged in the business of providing adoption services, that  
36 does all of the following:

37 ~~(A)~~

38 (i) Assumes care, custody, and control of a child through  
39 relinquishment of the child to the agency or involuntary termination  
40 of parental rights to the child.

1     ~~(B)~~  
2     (ii) Assesses the birth parents, prospective adoptive parents, or  
3 child.  
4     ~~(C)~~  
5     (iii) Places children for adoption.  
6     ~~(D)~~  
7     (iv) Supervises adoptive placements.  
8     ~~Private~~  
9     (B) *Private* full-service adoption agencies shall be organized  
10 and operated on a nonprofit basis. As a condition of licensure to  
11 provide intercountry adoption services, a full-service adoption  
12 agency shall be accredited and in good standing according to Part  
13 96 of Title 22 of the Code of Federal Regulations, or supervised  
14 by an accredited primary provider, or acting as an exempted  
15 provider, in compliance with Subpart F (commencing with Section  
16 96.29) of Part 96 of Title 22 of the Code of Federal Regulations.  
17     (10) (A) “Noncustodial adoption agency” means any licensed  
18 entity engaged in the business of providing adoption services, that  
19 does all of the following:  
20     ~~(A)~~  
21     (i) Assesses the prospective adoptive parents.  
22     ~~(B)~~  
23     (ii) Cooperatively matches children freed for adoption, who are  
24 under the care, custody, and control of a licensed adoption agency,  
25 for adoption, with assessed and approved adoptive applicants.  
26     ~~(C)~~  
27     (iii) Cooperatively supervises adoptive placements with a  
28 full-service adoptive agency, but does not disrupt a placement or  
29 remove a child from a placement.  
30     ~~Private~~  
31     (B) *Private* noncustodial adoption agencies shall be organized  
32 and operated on a nonprofit basis. As a condition of licensure to  
33 provide intercountry adoption services, a noncustodial adoption  
34 agency shall be accredited and in good standing according to Part  
35 96 of Title 22 of the Code of Federal Regulations, or supervised  
36 by an accredited primary provider, or acting as an exempted  
37 provider, in compliance with Subpart F (commencing with Section  
38 96.29) of Part 96 of Title 22 of the Code of Federal Regulations.  
39     (11) “Transitional shelter care facility” means any group care  
40 facility that provides for 24-hour nonmedical care of persons in

1 need of personal services, supervision, or assistance essential for  
2 sustaining the activities of daily living or for the protection of the  
3 individual. Program components shall be subject to program  
4 standards developed by the State Department of Social Services  
5 pursuant to Section 1502.3.

6 (12) “Transitional housing placement provider” means an  
7 organization licensed by the department pursuant to Section  
8 1559.110 and Section 16522.1 of the Welfare and Institutions Code  
9 to provide transitional housing to foster children at least 16 years  
10 of age and not more than 18 years of age, and nonminor  
11 dependents, as defined in subdivision (v) of Section 11400 of the  
12 Welfare and Institutions Code, to promote their transition to  
13 adulthood. A transitional housing placement provider shall be  
14 privately operated and organized on a nonprofit basis.

15 (13) “Group home” means a residential facility that provides  
16 24-hour care and supervision to children, delivered at least in part  
17 by staff employed by the licensee in a structured environment. The  
18 care and supervision provided by a group home shall be  
19 nonmedical, except as otherwise permitted by law.

20 (14) “Runaway and homeless youth shelter” means a group  
21 home licensed by the department to operate a program pursuant  
22 to Section 1502.35 to provide voluntary, short-term, shelter and  
23 personal services to runaway youth or homeless youth, as defined  
24 in paragraph (2) of subdivision (a) of Section 1502.35.

25 (15) “Enhanced behavioral supports home” means a facility  
26 certified by the State Department of Developmental Services  
27 pursuant to Article 3.6 (commencing with Section 4684.80) of  
28 Chapter 6 of Division 4.5 of the Welfare and Institutions Code,  
29 and licensed by the State Department of Social Services as an adult  
30 residential facility or a group home that provides 24-hour  
31 nonmedical care to individuals with developmental disabilities  
32 who require enhanced behavioral supports, staffing, and  
33 supervision in a homelike setting. An enhanced behavioral supports  
34 home shall have a maximum capacity of four consumers, shall  
35 conform to Section 441.530(a)(1) of Title 42 of the Code of Federal  
36 Regulations, and shall be eligible for federal Medicaid home- and  
37 community-based services funding.

38 (16) “Community crisis home” means a facility certified by the  
39 State Department of Developmental Services pursuant to Article  
40 8 (commencing with Section 4698) of Chapter 6 of Division 4.5

1 of the Welfare and Institutions Code, and licensed by the State  
2 Department of Social Services pursuant to Article 9.7 (commencing  
3 with Section 1567.80), as an adult residential facility, providing  
4 24-hour nonmedical care to individuals with developmental  
5 disabilities receiving regional center service, in need of crisis  
6 intervention services, and who would otherwise be at risk of  
7 admission to the acute crisis center at Fairview Developmental  
8 Center, Sonoma Developmental Center, an acute general hospital,  
9 acute psychiatric hospital, an institution for mental disease, as  
10 described in Part 5 (commencing with Section 5900) of Division  
11 5 of the Welfare and Institutions Code, or an out-of-state  
12 placement. A community crisis home shall have a maximum  
13 capacity of eight consumers, as defined in subdivision (a) of  
14 Section 1567.80, shall conform to Section 441.530(a)(1) of Title  
15 42 of the Code of Federal Regulations, and shall be eligible for  
16 federal Medicaid home- and community-based services funding.

17 (17) “Crisis nursery” means a facility licensed by the department  
18 to operate a program pursuant to Section 1516 to provide short-term  
19 care and supervision for children under six years of age who are  
20 voluntarily placed for temporary care by a parent or legal guardian  
21 due to a family crisis or stressful situation.

22 (18) “Short-term residential treatment center” means a  
23 residential facility licensed by the department pursuant to Section  
24 1562.01 and operated by any public agency or private organization  
25 that provides short-term, specialized, and intensive treatment, and  
26 24-hour care and supervision to children. The care and supervision  
27 provided by a short-term residential treatment center shall be  
28 nonmedical, except as otherwise permitted by law. “*Short-term  
29 residential treatment center*” includes a children’s crisis residential  
30 center.

31 (b) “Department” or “state department” means the State  
32 Department of Social Services.

33 (c) “Director” means the Director of Social Services.

34 (d) *Organizations providing children’s residential treatment  
35 services shall be certified to provide specialty mental health  
36 services under Medi-Cal and the Early and Periodic Screening,  
37 Diagnostic, and Treatment (EPSDT) Program.*

38 (e) *Nothing in this section shall be construed to prohibit or  
39 discourage placement of persons who have mental or physical  
40 disabilities into any category of community care facility that meets*

1 *the needs of the individual placed, if the placement is consistent*  
2 *with the licensing regulations of the department.*

3 *SEC. 3. Section 1502.1 is added to the Health and Safety Code,*  
4 *to read:*

5 *1502.1. The department shall establish regulations for*  
6 *short-term residential treatment centers that are designated as*  
7 *children's crisis residential centers. At a minimum, the regulations*  
8 *shall include all of the following:*

9 *(a) The children's crisis residential center shall be used only*  
10 *for diversion from admittance to a psychiatric hospitalization.*

11 *(b) Length of stay will be limited to 10 consecutive days.*

12 *(c) Therapeutic programming shall be provided seven days a*  
13 *week, including weekends and holidays, with sufficient professional*  
14 *and paraprofessional staff to maintain an appropriate treatment*  
15 *setting and services, based on individual children's needs.*

16 *(d) The program shall be staffed with sufficient personnel to*  
17 *accept and admit children, at a minimum, from 7 a.m. to 11 p.m.,*  
18 *seven days a week, 365 days per year. The program shall be*  
19 *sufficiently staffed to discharge children, as appropriate, seven*  
20 *days a week, 365 days per year.*

21 *(e) Facilities shall be limited to fewer than 16 beds, with at least*  
22 *50 percent of those beds in single-occupancy rooms.*

23 *(f) Facilities shall include ample physical space for working*  
24 *with individuals who provide natural supports to each child and*  
25 *for integrating family members into the day-to-day care of the*  
26 *youth.*

27 *(g) The center shall collaborate with each child's mental health*  
28 *team, child and family team, and other paid and natural supports*  
29 *within 24 hours of intake and throughout the course of care and*  
30 *treatment as appropriate.*

31 *SEC. 4. Section 1502.2 is added to the Health and Safety Code,*  
32 *to read:*

33 *1502.2. (a) The State Department of Health Care Services, in*  
34 *consultation with the County Behavioral Health Directors*  
35 *Association of California, representatives of provider associations,*  
36 *children's advocates, and other stakeholders shall establish*  
37 *Medi-Cal rates as needed that are sufficient to reimburse the costs*  
38 *for children's crisis residential services in excess of any specialty*  
39 *mental health services that would have been otherwise authorized,*

1 *provided, and invoiced for each eligible Medi-Cal beneficiary*  
2 *receiving children’s crisis residential services.*

3 *(b) For foster children admitted for children’s crisis residential*  
4 *services, programs shall receive payment for board and care*  
5 *equivalent to the rate paid for short-term residential treatment*  
6 *centers.*

7 *(c) Nothing in this chapter shall prevent a county from providing*  
8 *payment in excess of the short-term residential treatment center*  
9 *rate in order to meet the needs of individual children.*

10 ~~SEC. 3.~~

11 *SEC. 5.* No reimbursement is required by this act pursuant to  
12 Section 6 of Article XIII B of the California Constitution because  
13 the only costs that may be incurred by a local agency or school  
14 district will be incurred because this act creates a new crime or  
15 infraction, eliminates a crime or infraction, or changes the penalty  
16 for a crime or infraction, within the meaning of Section 17556 of  
17 the Government Code, or changes the definition of a crime within  
18 the meaning of Section 6 of Article XIII B of the California  
19 Constitution.